



June 2, 2014

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RE: Notice of Ex Parte, AT&T Petition to Launch a Proceeding Concerning the TDM-IP Transition; Petition of NTCA for a Rulemaking to Promote and Sustain the Ongoing TDM-to-IP Evolution, GN Docket No. 12-353

Dear Ms. Dortch:

On Thursday, May 29, 2014, the undersigned and Greg Dean, Director of Industry Relations for the South Dakota Telecommunications Association ("SDTA"), along with Denny Law, General Manager of Golden West Telecommunications Cooperative ("Golden West"), and Mark Shlanta, Chief Executive Officer of SDN Communications, Inc. ("SDN"), met with Commissioner Ajit Pai and Wireline Legal Advisor, Nicholas Degani. Jason Van Beek, Deputy General Counsel for the Senate Commerce, Science and Transportation Committee, also joined the meeting, which was held at the SDN headquarters building at 2900 W 10th Street, in Sioux Falls, South Dakota, 57104.

At this meeting, Mark Shlanta shared the attached presentation and provided other information related to the network and operations of SDN Communications in South Dakota and in neighboring states. Mark and others present representing SDN's member carrier-owners described some of the efficiencies and opportunities gained by South Dakota's rural carriers through their participation in SDN. The facility arrangements that SDN has, with not only its members but also other neighboring rural carrier owned regional networks, were commented on and SDN's importance to its members, in particular in aggregating Internet access traffic and providing access to Internet peering arrangements, was also discussed.

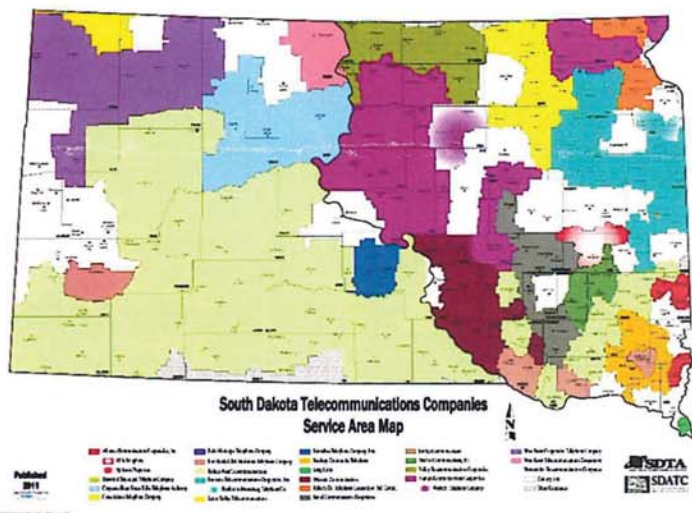
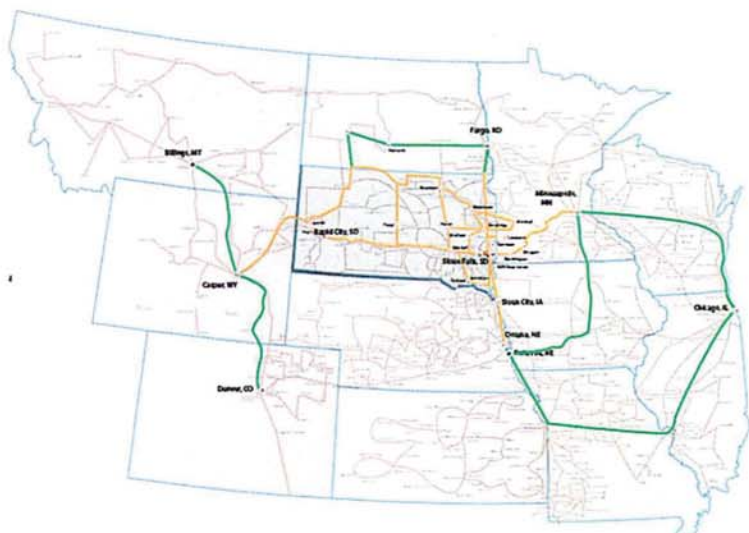
Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Richard D. Coit
Richard D. Coit

Executive Director and General Counsel,
South Dakota Telecommunications Association

CC: Commissioner Ajit Pai
Nicholas Degani



25 Years in the Making

SDN has the largest, most expansive network in South Dakota. We are part of the Information Superhighway for an 8-state region. SDN is owned by 17 independent telephone companies and was incorporated in 1989.

SDN is a business to business broadband service provider specializing in service to:

- Wireless Providers
- Telecom
- Financial
- Healthcare
- Education
- Government
- Agriculture
- Manufacturing

MEMBER COMPANIES

- Alliance Communications
- Beresford Municipal Telephone
- Cheyenne River Sioux Tribe Telephone Authority
- Faith Municipal Telephone
- Golden West Telecommunications
- Interstate Telecommunications Coop
- James Valley Telephone
- Kennebec Telephone Co
- TrioTel Communications
- Midstate Communications
- Roberts County Telephone Coop
- Santel Communications
- Swiftel Communications
- Valley Telecommunications Coop
- Venture Communications
- West River Coop Telephone
- West River Telecom Cooperative

BENEFITS OF SDN

- SDN is a Centralized Equal Access (CEA) tandem provider found by the FCC to be in the public interest bringing the benefits of equal access, new technology and new services to rural South Dakota.
- SDN provides efficient and cost effective equal access along with other services (e.g. signaling) by installing functionality in the SDN tandem instead of the Rural LEC (RLEC) end offices.
- SDN is a tandem switch/transiting provider.
- SDN aggregates IXC long distance traffic allowing carriers to reach RLECs and carrier customers through one POI.
- SDN and member RLECs have built, operate and maintain thousands of miles of interconnected fiber network throughout South Dakota.
- SDN enables carrier efficiencies for the conversion to IP by reducing direct connection points to a single POI for participating LECs.

BTOP Award Recipient

SDN's Broadband Technology Opportunities Program grant brought high-speed, fiber optic broadband services to anchor institutions across South Dakota. 397 miles of fiber was laid and 310 locations were reached.

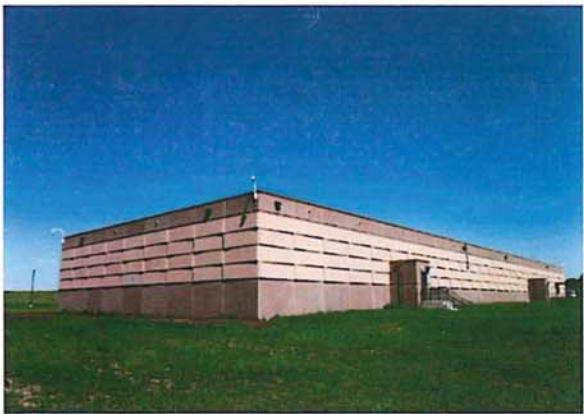
SDN and its Members currently reach the following numbers of Community Anchoring Institutions:

- Schools (K-12): 251
- Other Government Facilities: 141
- Medical and Healthcare Providers: 67
- Other Institutions of Higher Education: 26
- Public Safety Entities: 32
- Libraries: 4
- Community Colleges: 4
- Other Community Support Organizations: 2

FirstNet

- Working with the State of South Dakota
 - Identifying towers
 - Key locations
- SDN responded to NTIA's RFI's summer of 2013
- SDN LaMesa facility
 - Potential regional data center for FirstNet
 - SDN would add space needed by FirstNet
- Use existing assets of providers

SDN's LaMesa Facility



- 25,000 square feet.
- Future phases will quadruple the size.
- Currently offers 10,000 square feet of raised floor space, with power densities of 200+ watts per square foot. Suites available from 1,000 to 10,000 square feet.
- Covered by 82 cameras that catch every angle 24 hours a day.
- Stringent, multi-layer security control procedures include a dual authentication access control system and biometric access control with mantraps.
- The cooling system was designed with 1+1 redundancy throughout the building.

BENEFITS OF SDN (CONT.)

- Traffic aggregation and single source network functionality provides efficiencies and cost savings for interconnected providers (e.g. wireless, broadband).
- Simplifies RLEC ability to designate its POI and to efficiently use the SDN/RLEC fiber backbone network.
- Consistent with FCC policy to eliminate waste and inefficiency.
- Improves incentives for rational investment and operation.
- Brings greater scale to member markets bringing cost efficiencies and business opportunities.
- Aggregated traffic results in easier access to rural markets.
- Shared network investment, not redundant/wasteful.
- Joint provisioning of essential telecom and broadband services.
- Increased residential and commercial business opportunities.

SDN is a tandem/transit service provider

- SDN does not have end users and does not receive any federal/state universal service support.
- SDN is a common carrier and is obligated to carry the originating and terminating traffic presented to it from the LEC or the carrier.

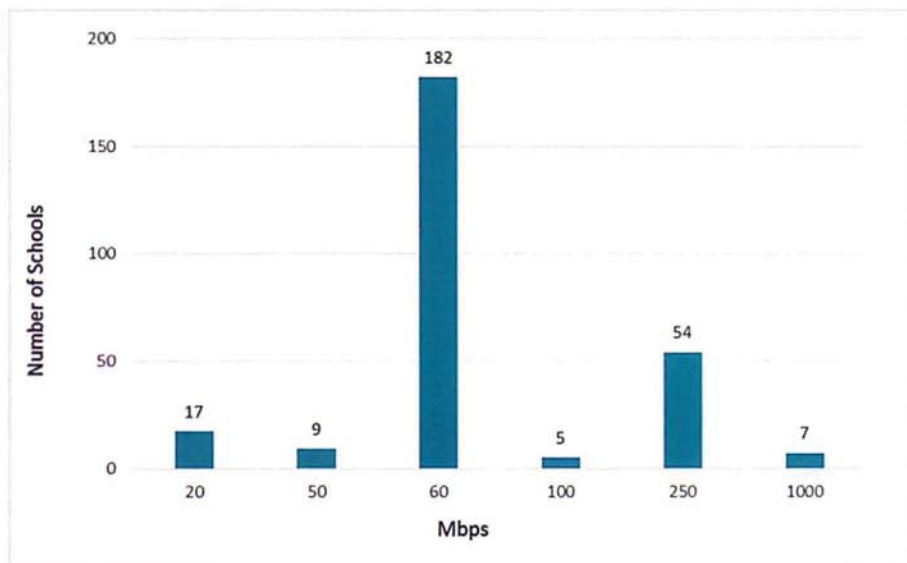
LaMesa Site Cont.

- Another system detects the slightest smoke that might pass through the HVAC system by consistently sampling air quality.
- Designed for diverse utility feeds, the data center also houses an Emerson NetSure 802 -48VDC Rectifier System with multiple EnerSys GU-45 battery strings for hours of -48VDC backup.
- A Caterpillar 2MW generator with a 3,500 gallon tank which provides AC power backup is located in the equipment yard.
- CRAC units are designed in 1+N configuration with redundant piping units to ensure all data is maintained in the best environment possible.
- A NoVak dry fire suppression system located under the raised floors and in any of the data center spaces protects the facility.

E-Rate

SDN Supports NTCA and the State of SD's Position.

- No grants for fiber to schools where fiber exists.
- Pay for services.
- Do not incent fiber to be built to schools where fiber already exists (consortium purchasing).
- Schools are a diverse group with diverse needs. A flexible approach is necessary to maintain meaningful participation.
- Avoid flash cuts of service eligibility.
- Connection speed targets should be tethered to reasonably foreseeable need or demand and to what the school can realistically afford.
- With most sites, more bandwidth is already available and school districts are able to scale and purchase bandwidth to meet their individual needs.
- If school districts desire more bandwidth, they are able to purchase it under a state negotiated master contract.
- As further noted in SD comments, referenced speeds should be established as "goals" and not "standards."
- SETDA (State Ed. Tech. Directors Assn.) recommendations are "devoid of any underlying empirical evidence." South Dakota most certainly wants to continue to participate in expansion of digital learning, but is concerned about cost of setting and achieving somewhat arbitrary goals. If local schools believe that they have sufficient bandwidth for digital learning at lower bandwidth thresholds and these thresholds are affordable, these schools' decisions should be respected...South Dakota has always driven its connectivity speeds for schools on a needs basis.



Process in SD:

- Centralized services for schools
 - E-Rate
 - Connectivity Purchase
- Typical school speeds and feeds
 - Just under 300 K12 Schools
 - 90%+ at 50 Mbps or above